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10 **UNITED STATES DISTRICT COURT**  
11 **CENTRAL DISTRICT OF CALIFORNIA**  
12 **WESTERN DIVISION**

13 SWEET PEOPLE APPAREL, INC. d/b/a )  
14 MISS ME, a California corporation, and )  
15 RCRV, INC. d/b/a ROCK REVIVAL, a )  
California corporation, )

16 Plaintiffs,

17 v.

18 PHOENIX FIBERS, INC., an Arizona )  
19 corporation, U.S. GENERAL EXPORT, )  
20 INC., a California corporation, SAC )  
21 INTERNATIONAL TRADERS, INC., a )  
California corporation, SHAUKAT ALI )  
22 CHOHAN, an individual, COMAK )  
TRADING, INC., a California )  
23 corporation, LYDIA EVILSA )  
TERRAZAS CHO, an individual, )  
24 MYUNG KWON CHO, an individual, )  
TIFFANY ALANA WOLFF, an )  
25 individual d/b/a MISS V LANE, XYZ )  
26 COMPANIES 1-10, and JOHN AND )  
JANE DOES 1-10, )

27 Defendants.  
28

Case No.: 2:16-cv-00940-TJH-JC

Hon. Terry J. Hatter Jr.

**DECLARATION OF ERIC CHOI IN  
OPPOSITION TO DEFENDANT  
PHOENIX FIBERS, INC.'S MOTION  
FOR SUMMARY JUDGMENT OR,  
IN THE ALTERNATIVE, PARTIAL  
SUMMARY JUDGMENT**

Hearing Date: January 30, 2017

Hearing Time: Under submission

Place of Hearing: Courtroom 9B  
First Street Courthouse

1 I, Eric Choi, declare as follows:

2 1. I am the Chief Executive Officer of Plaintiff RCRV, Inc. d/b/a ROCK  
3 REVIVAL ("RCRV"), and the former Chief Executive Officer of Plaintiff Sweet  
4 People Apparel, Inc. d/b/a MISS ME ("Sweet People"), a position which I held until  
5 December 1, 2016. I am currently a Director and shareholder of Sweet People.

6 2. I submit this declaration in opposition to defendant Phoenix Fibers, Inc.  
7 ("Phoenix Fibers")'s Motion for Summary Judgment Or, In the Alternative, Partial  
8 Summary Judgment. In particular, I wish to explain why, under my direction, Sweet  
9 People and RCRV entered into an agreement with Phoenix Fibers in November 2011  
10 for the recycling of damaged, unfinished, obsolete, returned or otherwise second-  
11 quality MISS ME and ROCK REVIVAL denim products into shoddy fiber. I submit  
12 this declaration based on my own personal knowledge. If called as a witness, I will  
13 provide testimony regarding the subject matter addressed in this declaration.

14 3. Sweet People and RCRV, which are affiliated companies, manufacture,  
15 promote, sell and distribute jeanswear and denim products throughout the United  
16 States under the MISS ME and ROCK REVIVAL brand names. MISS ME and  
17 ROCK REVIVAL products are sold at such prominent retail outlets as Macy's,  
18 Nordstrom, Dillard's and The Buckle, both in-store and online, and through Sweet  
19 People's and RCRV's respective ecommerce websites (<www.missme.com> and  
20 <www.rockrevival.com>). MISS ME jeans typically retail for approximately \$100 to  
21 \$110, while ROCK REVIVAL jeans retail for around \$170.

22 4. MISS ME and ROCK REVIVAL brand jeans are both known to  
23 consumers as high fashion apparel products. Over the past several years, MISS ME  
24 and ROCK REVIVAL denim products have achieved substantial sales success, and  
25 have received extensive media coverage in widely circulated fashion magazines. In  
26 addition to the unique and distinctive designs created by Sweet People and RCRV  
27 designers, which are embroidered or stitched onto the pockets and waistband areas of  
28 MISS ME and ROCK REVIVAL denim products, such products are widely

1 recognized for their superior quality, including both the fit and wash. Sweet People  
2 and RCRV have worked extremely hard to earn this reputation by maintaining strict  
3 quality control policies and procedures that ensure that only products commensurate  
4 with the high quality reputation of MISS ME and ROCK REVIVAL denim and  
5 apparel products ever enter the stream of commerce.

6       5. An unfortunate consequence of these strict quality control procedures is  
7 the manufacture of a certain volume of MISS ME and ROCK REVIVAL denim and  
8 apparel products that, following careful inspection, Sweet People and RCRV deem  
9 unfit for sale due to damage, improper finish or other failure to meet their high  
10 standards. Prior to entering into an agreement with Phoenix Fibers in November  
11 2011, Sweet People and RCRV would typically cut up, and dispose in landfills, any  
12 unfinished, damaged or otherwise second-quality products that did not meet the  
13 companies' quality standards.

14       6. These forms of disposal, however, were always of particular concern to  
15 me and others within the Plaintiff companies, as we recognized the negative impact  
16 they might have on the environment. As it is no secret that the manufacture of denim  
17 itself causes pollution, Sweet People and RCRV have always strived to respect the  
18 environment, and do their part to minimize their environmental footprint. For  
19 example, among other things, for several years Sweet People and RCRV participated  
20 in the "1% for the Planet" initiative. Under this initiative, Sweet People and RCRV  
21 donated 1% of their net sales to environmental causes. Therefore, finding an  
22 environmentally friendly way to dispose of Sweet People's and RCRV's unfinished,  
23 damaged or otherwise second-quality denim products had for many years been a  
24 particularly high priority of mine and the companies.

25       7. On or about November 1, 2011, I came across the website of a company  
26 called Bonded Logic, Inc., which was promoting itself as an Arizona-based  
27 manufacture of insulation products made from recycled denim. As this presented a  
28 denim recycling opportunity that was exactly in line with what I had been looking

1 for, I immediately forwarded a link to Bonded Logic's website to our General  
2 Counsel, Lilly Kim, Esq., with the message "Let's discuss!" Ms. Kim and I  
3 subsequently investigated this potential opportunity to dispose of unfinished,  
4 damaged or otherwise second-quality MISS ME and ROCK REVIVAL denim  
5 products deemed unfit for circulation to consumers in an environmentally sound  
6 manner—*i.e.*, shredding into shoddy fiber—and decided to take advantage of it.

7 8. Thereafter, acting under the direction of Ms. Kim, Lisa Song, a Sweet  
8 People employee at the time who, like many of us, carried out roles for both Sweet  
9 People and RCRV, contacted Bonded Logic to inquire about its recycling of denim  
10 into insulation products, and was referred to its affiliate, Phoenix Fibers. In the days  
11 that followed, Ms. Song had a series of telephone calls and email communications  
12 with a representative of Phoenix Fibers, and ultimately arrived at an agreement with  
13 Phoenix Fibers for the donation of Plaintiff's second quality products under the  
14 following terms: (a) Sweet People and RCRV would deliver unfinished, damaged  
15 and otherwise second quality MISS ME and ROCK REVIVAL denim products that  
16 they deemed unfit for circulation to consumers to Phoenix Fibers' Chandler, Arizona  
17 facility, at no cost to Phoenix Fibers, and (b) as it claimed it did for other denim  
18 manufacturers, Phoenix Fibers would shred such products into shoddy fiber, which  
19 would then be used by Phoenix Fibers' affiliate, Bonded Logic, to manufacture  
20 environmentally friendly products, such as insulation. All of these terms of  
21 agreement were contemporaneously reported to me at the time by Ms. Song and Ms.  
22 Kim, and I approved the parties' agreement.

23 9. Not only was I pleased that we had reached such an agreement with  
24 Phoenix Fibers, but I was so proud of our partnership with Phoenix Fibers, and of  
25 having found an environmentally sound solution for the disposal of our second-  
26 quality products, that after Ms. Song received a sample of Bonded Logic's  
27 UltraTouch Denim insulation from Phoenix Fibers in March 2012, which, I  
28 understood, was similar to the products that would be made from the second-quality

1 denim products donated by my companies, we prominently displayed the samples in  
2 Sweet People's and RCRV's conference rooms, as an example of the companies'  
3 commitment to the environment. A photo of one such display case appears below:



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10 10. The entire purpose of Sweet People's and RCRV's agreement with  
11 Phoenix Fibers was premised on two goals which were of critical importance to these  
12 companies: (a) to preserve the reputation and integrity of our brands by keeping  
13 unfinished, damaged or otherwise second-quality MISS ME and ROCK REVIVAL  
14 products out of the stream of commerce, and (b) to dispose of unfinished, damaged or  
15 otherwise second-quality MISS ME and ROCK REVIVAL products in an  
16 environmentally sound manner.

17 11. Had I believed for a second that Phoenix Fibers would violate our  
18 agreement and sell into consumer retail channels the MISS ME and ROCK  
19 REVIVAL products that Sweet People and RCRV delivered to it—at significant  
20 cost—for recycling into shoddy fiber, I would have never authorized Sweet People or  
21 RCRV to enter into an agreement with Phoenix Fibers, or donate a single product to  
22 it.

23 12. Phoenix Fibers' inexplicable sale of large quantities of MISS ME and  
24 ROCK REVIVAL products that were supposed to be shredded into shoddy fiber, in  
25 direct violation of the parties' agreement and Sweet People's and RCRV's respective  
26 trademark rights—after nearly four years of complying with the parties' agreement  
27 and shredding all such products—has allowed such second-quality products to find  
28 their way into consumer channels, and to disappoint not only their purchasers, but

1 also the observers of these products in the post-sale market.

2 13. To this day, as a direct result of Phoenix Fibers' conduct, MISS ME and  
3 ROCK REVIVAL denim products improperly sold by Phoenix Fibers are being  
4 offered for sale and sold by downstream customers of such products through eBay  
5 and social media platforms such as Facebook. The purchasers of these products are  
6 then wearing them in public, and observers familiar with the high quality standards of  
7 these well-known brands are surely wondering how and why these companies are  
8 allowing these goods to be sold. Had we been in control of these goods, this would  
9 never have happened. This inexplicable conduct on Phoenix Fibers' part has caused  
10 irreparable harm to Sweet People and RCRV, and to their incalculably valuable MISS  
11 ME and ROCK REVIVAL brands.

1 I declare under the penalty of perjury under the laws of the United States of  
2 America that the foregoing is true and correct.

3 Executed this 06 th day of January 2017 at Los Angeles, California.

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7 Eric Choi  
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